



Montana Department of  
**REVENUE**

## 2004 Montana Corporation License Tax Booklet Form CLT-4



Photo by Ross Magnuson

**Fiscal Year Filers - Please Note:**

These are your corporation license tax forms for your fiscal year beginning in 2004.  
Retain this booklet for your 2004 filing purposes.

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Dear Montana Corporate Taxpayer:

The Montana Department of Revenue is continuing our efforts to become more modern, efficient and customer-focused. Our goal is to make it simpler and more convenient for taxpayers to do business with us. That includes making it easier for you to file your Montana corporation license tax return. If you have ideas on how we can improve our service, please feel welcome to contact our offices.

You may contact the Department of Revenue by e-mail with any questions, requests, comments or suggestions. The e-mail address is [jpurcell@state.mt.us](mailto:jpurcell@state.mt.us). In addition, you may download our forms and instructions at [www.discoveringmontana.com/revenue](http://www.discoveringmontana.com/revenue) or contact our Customer Service Center at (406) 444-6900.

Department of Revenue

## Instructions for Filing Montana Corporation License Tax Return - Form CLT-4

### Subject To Tax

Every corporation engaged in business in the State of Montana—unless expressly exempted under 15-31-102(1), Montana Code Annotated (MCA)—must file an annual Montana corporation license tax return. The term “corporation” includes associations, joint stock companies, common law trusts and business trusts which do business in an organized capacity, whether or not under and pursuant to state laws, agreements or declarations of trust.

A tax of six and three-quarters percent (6.75%) is paid upon the total net income received in the preceding fiscal or calendar year from all sources within the State of Montana. Corporations with a valid water's edge election shall pay 7% upon the total net income received in Montana. If a corporation has sustained a net loss, it must file a Montana corporation license tax return. The minimum tax paid by any corporation with Montana activity will be \$50. For a combined return, the minimum tax applies to each corporation with Montana activity.

## When to File

For calendar year taxpayers, the tax is due on or before May 15.  
For fiscal year taxpayers, the tax is due on or before the 15th day of the fifth month after the close of the taxable year. Interest of 12% per annum will accrue on any tax liability which has not been paid by the original due date of the return.

A corporation shall be allowed an automatic extension of up to six months following the prescribed filing date to file its return. (15-31-111(3)(a), MCA). No application for an extension is necessary.

## Where to File

Mail returns to:

Montana Department of Revenue  
P.O. Box 5805  
Helena, Montana 59604-5805

## Part I – Filing Method

Check the box indicating the applicable filing method. Combined filings are required for all members of a “unitary” group.

### Combined Returns for Multistate Corporations

If a particular trade or business is carried on by a taxpayer and one or more “unitary” corporations owned greater than 50%, the taxpayer is required to file a “combined” return whereby the entire business income of such trade or business is apportioned in accordance with 15-31-305 through 15-31-311 MCA.

### Water’s Edge Election

Multinational, unitary corporations wishing to file under the water’s edge method must file a written election within the first 90 days of the tax period for which the election is to become effective. The election must be approved by the department and is only binding for three (3) consecutive taxable periods. If the corporation wishes to extend the election, a new election must again be filed within 90 days of the tax period for which the election is to become effective.

For tax periods beginning after December 31, 2003, those corporations with a valid water’s edge election must include in the water’s edge group subsidiaries incorporated in countries set forth under the provisions of 15-31-322(1)(f) MCA.

Those corporations filing under a valid water’s edge election must submit Schedule WE with the Montana CLT-4.

## Part II – Amended Return

Use this form to amend an original return. Indicate at the top of the form that this represents an amended filing and check the box indicating the reason(s) for amending the return. Attach the applicable forms and statements explaining all adjustments in detail. Complete the entire form using the corrected amounts.

- (a) Interest shall not be paid on a refund resulting from a net operating loss carryback or carryforward (15-31-119(9), MCA).
- (b) Interest shall not be paid if the overpayment is refunded within 6 months from the date the return is due or from the date of the original filing, whichever is later.
- (c) Interest is computed on an overpayment of tax or additional tax due at the rate of 12% per annum.
- (d) Statute of Limitations. For years beginning before March 13, 1997, no refund or credit shall be allowed with respect to the year for which a return is filed after five (5) years from the due date of the return, without regard to an extension of time to file (15-31-509(2), MCA). For years beginning on or after March 13, 1997, no refund or credit shall be allowed with respect to the year for which a return is filed after three (3) years from the due date of the return, without regard to an extension of time to file (15-31-509(2), MCA).
- (e) For tax years beginning on or after January 1, 2001, the late file and late pay penalties will be adjusted based on the corrected amount of tax due which results from an amended return. However, in the case of a net operating loss carryback, no change will be made to the calculation of late pay penalty or the underpayment interest on the return.
  - A late pay penalty will not be assessed on an amended return for which the original return was filed and paid on or before the due date, including extensions.
  - The late payment penalty may not exceed 18% of the tax due and is calculated from the original due date of the return until the payment is made, 15-1-216(1)(c), MCA.

## Part III – General Questions (A-K)

Check the appropriate box. All questions must be answered. If any of questions G-K are answered “yes,” you must complete Schedule M.

### Montana Taxable Income

Gross income means all income recognized in determining the corporation’s gross income for federal income tax purposes.

Deductions are those allowed in determining the federal net income and/or those deductions specifically set forth under 15-31-114, MCA.

**Line 1 - Taxable Income.** The taxable income reported on line 28 of your federal return (Form 1120) must be entered on line 1 of your Montana return (Form CLT-4). A complete copy of your signed Form 1120 as filed with the Internal Revenue Service, must be attached to your CLT-4. If the Form 1120 is voluminous, attach pages 1 through 4, along with the schedules computing income and deductions, and supporting federal schedules for each of the following items, if applicable.

- Line 2 - Cost of Goods Sold/and or Operations
- Line 8 - Net Capital Gains (Schedule D)
- Line 9 - Ordinary Gains/(Loss) (Form 4797)
- Line 10 - Other Income
- Line 17 - Taxes
- Line 26 - Other Deductions
- Form 8873 - Extraterritorial Income Exclusion
- Schedule N - Foreign Operations of U.S. Corporations

**Line 2 - Montana Additions.** (a)(b) The Montana corporation license tax and other state, local, and foreign income taxes must be added back to income (15-31-114(1)(e), MCA). Attach a breakdown of the federal 1120 line 17 taxes. These taxes are added back on lines 2a or 2b.

(c) Municipal bond interest is taxable and is added to income on line 2c (15-31-113(1)(a)(i), MCA).

(d) If the qualified endowment credit is claimed on this return, the amount of contribution used to compute the credit must be included in income on line 2d. (15-31-161, MCA).

(e) For corporations engaged in a unitary relationship with a multinational group, a worldwide combined filing is required. Enter the income or loss from the foreign subsidiaries included in the worldwide combined group.

(f) For unitary filers, enter the income or loss from unitary subsidiary corporations not included in the federal consolidated group, i.e. subsidiary corporations owned greater than 50% by any member of the unitary group.

(g) The federal extraterritorial income exclusion is not allowed for Montana purposes. Consequently the federal deduction for extraterritorial income must be added back in computing Montana taxable income.

(h) Enter the amount from line 11 on Schedule WE.

(i) The federal capital loss carryover is not an allowable deduction for Montana corporation license tax purposes. The amount of federal capital loss carryover utilized on the federal return must be added back in computing Montana taxable income.

(j) A detailed breakdown of other additions to income must be attached to the CLT-4 and reported on line 2j.

If a foreign sales corporation (FSC) is owned by the taxpayer, a copy of the Federal Form 1120-FSC must be attached.

**Line 3 - Montana Reductions.** (a) Montana allows a deduction for Section 243 dividends at the same percentage as the federal deduction. This deduction is reported on line 3a.

(b) Nonbusiness Income - (multistate taxpayers only) Business income means income arising from transactions and activity in the regular course of a taxpayer’s trade or business, and includes income from tangible and intangible property if the acquisition, management, and disposition of the property constitute integral parts of the taxpayer’s regular trade or business operations. Gains or losses from the sale of capital or business assets, dividends, interest, rents, or royalties are presumed to be business income unless they can be clearly classified as nonbusiness income. A statement or schedule which describes the type of income and explains in detail why the income is considered to be nonbusiness must be attached to your return. All nonbusiness income is reported on line 3b.

(c ) An additional 10% deduction for the purchase of recycled material, as computed on Form RCYL. A copy of Form RCYL (15-32-610 MCA) must be attached to your return.

(d) For multistate taxpayers, enter the income or loss of nonunitary corporations that are included in the federal consolidated group.

(e) Capital losses must be deducted in the year incurred (15-31-114(1)(b) MCA). Enter the amount of capital loss incurred during the tax period. Attach federal Schedule D.

(f) Other deductions allowable in computing your Montana taxable income are reported on line 3f. A detailed schedule must be attached to your return.

Examples are:

- The amount of contributions made by a small business to its independent liability fund (33-27-117(1), MCA).
- A portion of an investment made in a building for the purpose of conserving energy (15-32-103, MCA). To qualify, the building must be used in the corporation's business and the result of the investment must be a substantial reduction in the amount of energy needed to render the building usable.
- Documented expenses for the donation of mineral exploration information to the Montana Tech Foundation (15-32-510, MCA).

**Line 4 - Adjusted Taxable Income.** Add lines 1 and 2, then subtract line 3; enter total on line 4.

**Line 5 - Income Apportioned to Montana.** For multistate taxpayers, multiply the amount reported on line 4 by the apportionment percentage from Schedule K; enter total on line 5.

**Line 6 - Income Allocated Directly to Montana.** For multistate taxpayers, any income determined to be Montana allocable income must be reported on line 6.

**Line 7 - Montana Taxable Income before Net Operating Loss.** Add lines 5 and 6; enter total on line 7 or enter amount shown on line 4. If a net operating loss was incurred, this loss must be carried back to the three (3) preceding taxable periods prior to the loss year (15-31-119, MCA). An election to forego the entire carryback period may be made on page 2 of the CLT-4. Once made, an election to forego the carryback is irrevocable for the year made. If a net loss is reported on line 7 and neither box is checked, the loss must be carried back.

**Line 8 - Montana Net Operating Loss Carryforward.** If you have sustained a Montana net operating loss in a preceding taxable period and such loss has not been fully offset against the Montana taxable income of the three previous taxable periods, as outlined under 15-31-119, MCA, then you may apply the remaining loss against your income reported on line 7. A net operating loss incurred may be carried forward for seven (7) taxable periods following the year of the loss. Taxpayers who claim a Montana net operating loss deduction on line 8 must attach a detailed schedule of the net operating loss carryforward.

**Line 9 - Montana Taxable Income.** Subtract any loss reported on line 8 from line 7 and enter the Montana taxable income on line 9.

## Tax Due

**Line 10 - Montana Tax Liability.** Multiply line 9 by 6.75% (7% for corporations filing under a valid water's edge election) and enter the total on line 10. The Montana tax liability must not be less than \$50 (15-31-121(3), MCA), with the exception of the alternative tax explained on page 5. In the case of a combined return, the minimum tax applies to each corporation with Montana activity.

**Line 11 - Payments.** (a) 2003 Overpayment - An overpayment of your 2003 tax, not previously refunded, may be claimed as a credit on line 11a.

(b) Tentative Payment - You may elect to make a tentative payment of tax by attaching a remittance to the Montana corporation license tax payment coupon, inserted in this booklet. Please make your check payable to the Department of Revenue. Be sure to reference your federal employer identification number (FEIN) on your check. If a tentative payment has been made, enter the amount on line 11b.

(c) Quarterly Estimated Payments - If quarterly estimated payments were made during 2004, enter the total of those payments on Line 11c. Add the payments reported on lines 11a, 11b, and 11c; enter the total payments on line 11c.

**Line 12 - Credits.** To claim any credits on the CLT-4, you must attach a completed copy of Schedule C and the prescribed forms and/or detailed schedules for the credits claimed. Please see the instructions for Schedule C on pages 5 and 6 of this booklet.

### Line 13 - Amended Return Only

(a) Enter amount previously refunded on original filing and/or prior amended returns.

(b) Enter amount previously paid on original filing and/or prior amended returns.

**Line 14 - Tax Due.** Enter the total of lines 10 through 13. Your tax is due by the fifteenth day of the fifth month following the close of the taxable year. If you opt for the automatic extension of up to six (6) months, the tax plus any applicable interest is due when the return is filed.

**Line 15 - Interest.** - When the tax due is not paid by the original due date, interest on the tax due accumulates at the rate of twelve percent (12%) per annum until the tax is paid. Interest is accrued at 1% a month or fraction of a calendar month on the unpaid tax. Taxes are due by the fifteenth day of the fifth month following the close of the taxable year.

**Line 16 - Estimated Tax Underpayment Interest Penalty.** If your tax liability is \$5,000 or greater, you must make quarterly estimated payments (15-31-502, MCA). A 12% per annum interest penalty will be imposed on any underpayment, as calculated in 15-31-510, MCA.

Compute the estimated tax underpayment interest penalty, if applicable, on Form CLT-4-UT and attach a completed copy to your return. From line 18 of the CLT-4-UT, enter amount of interest penalty on line 16. If using the annualized/seasonal method to compute the penalty, the federal Form 2220 as filed with the federal return must be attached.

**Line 17 - Penalty.** (a) Late Filing Penalty - If the return is not filed with the department by the due date, including any extension of time, a late filing penalty of \$50 or the amount of the tax due, whichever is less, must be assessed. If there is an overpayment of tax reported on the return, no late filing penalty will be due. (15-1-216(1)(a), MCA)

(b) Late Payment Penalty. The tax is due when the return is filed. A late payment penalty of 1.5% a month or fraction of a calendar month must be assessed on the unpaid tax if payment is not received within the extended due date. The penalty may not exceed 18% of the tax due and is calculated from the original due date of the return. (15-1-216(1)(c), MCA). For amended filers see instructions for Part II, (e).

**Line 18 - Total Due or Overpayment.** Add any applicable interest or penalties as reported on lines 15, 16 and/or 17 to the liability on line 14. Enter the total due/overpayment on line 18.

Pay the amount due in full by attaching your remittance, payable to the Department of Revenue, to the completed Montana corporation license tax payment coupon inserted in this booklet. Submit your payment and coupon with your return to the address listed on page 2 of the return.

An overpayment may be applied to next year's liability or refunded.

### Line 19 - Overpayment Credited to 2005 Estimated Tax.

Indicate the amount, if any, of the overpayment that you wish to be applied to your 2005 estimated tax on line 19.

**Line 20 - Refund Due.** Indicate the amount, if any, of the overpayment that you wish to have refunded to you on line 20.

## Instructions for Schedule K

**Schedule K applies only to multistate taxpayers. All multistate taxpayers must complete and attach the Schedule K to their Montana CLT-4.**

In most cases, multistate taxpayers must compute their Montana taxable income by means of the apportionment factor



calculated on Schedule K. The apportionment factor is the standard UDITPA (Uniform Division of Income for Tax Purposes Act) three-factor formula of property, payroll, and sales used by most states with a corporate tax based on net income.

When a corporation is engaged in a unitary business within and without the State of Montana, the net income assignable to Montana must be determined using the apportionment factor. A business is unitary when the operations of the business within the state are dependent upon or contributory to the operations of the business outside the state. Schedule K must be completed fully by every corporation carrying on a unitary business within and without the state. If the determination of income attributable to Montana is made on some basis other than the apportionment method, a full and detailed description of the operation and an explanation of the method proposed must accompany the return. However, schedule K must be completed even in a case where a taxpayer uses an alternative method of determining Montana taxable income.

A detailed explanation of the calculation of the apportionment factor follows.

**Property Factor** (Line 1, Schedule K) - 15-31-306, MCA defines the property factor as a fraction, the numerator being the average value of the taxpayer's real and tangible personal property owned, leased or rented and used in Montana in the production of business income during the tax period and the denominator being the average value of all the taxpayer's real and tangible personal property owned, leased or rented and used in the production of business income during the tax period.

Property owned by the taxpayer is valued at its original cost. Real and tangible personal property used in the business includes land, building, machinery, equipment, stocks of goods, inventories, and other tangible property actually used in connection with the production of the business income to be apportioned. It does not include money, accounts receivable, or other intangible property, real property held for investment or nonbusiness purposes or idle property of any nature.

Migratory property must be included in the numerator of the factor to the extent utilized in Montana.

Unless otherwise required by the Department of Revenue, the average value of owned property shall be determined by averaging the values at the beginning and ending of the tax period.

Property rented by the taxpayer must be valued at eight times the net annual rental rate. Rental expenses may not be averaged. The rental expenses for the current year must be used in the property factor.

**Payroll Factor** (Line 2, Schedule K) - 15-31-308, MCA defines the payroll factor as a fraction, the numerator being the total amount paid in Montana during the tax period by the taxpayer for compensation attributable to the production of business income and the denominator being the total amount paid everywhere during the tax period for compensation attributable to the production of business income. 15-31-309, MCA states that payroll is paid in Montana if:

- the base of operations or, if there is no base of operations, the place from which the service is directed or controlled is in the state; or
- the base of operations or the place from which the service is directed or controlled is not in any state in which some part of the service is performed but the individual's residence is in this state.

**Sales Factor** (Line 3, Schedule K) - Sales means all gross receipts of the taxpayer exclusive of nonbusiness income and intercompany transactions. 15-31-310, MCA defines the sales factor as a fraction, the numerator being the total sales of the taxpayer in Montana during the tax period and the denominator being the total sales of the taxpayer everywhere during the tax period.

Sales of tangible personal property are in the state if:

- the property is delivered or shipped to a purchaser, other than the United States Government; or
- the taxpayer is not taxable in the state of the purchaser.

Sales other than sales of tangible personal property are in the state if:

- the income-producing activity is performed in this state; or
- the income-producing activity is performed both in and outside this state and a greater proportion of the income-producing activity is performed in this state than in any other state, based on costs of performance.

**Sum of Factors** (Line 4, Schedule K) - Add lines 1, 2, and 3; enter the sum of the factors on line 4.

**Apportionment Factor** (Line 5, Schedule K) - Divide line 4 by the number of factors present. For example, if the taxpayer reports only a sales factor and a property factor, but does not have payroll (in Montana or anywhere) to report a payroll factor; then the taxpayer would divide line 4 by 2 (the total number of existing factors), rather than 3. Enter the apportionment factor on line 5 of Schedule K and on line 5, page 2.

### Alternative Tax

A taxpayer whose only activities in Montana consist of sales and do not include owning or renting real or tangible personal property, and whose dollar volume of gross sales made during the tax year within Montana does not exceed \$100,000, may elect to pay a tax of one-half of one percent ( $\frac{1}{2}\%$ ) on the gross volume of sales made in Montana in lieu of paying the corporation license tax based on net income (15-31-122, MCA). If electing the alternative tax, enter the calculated tax liability on line 10, page 2.

## Instructions for Schedule C

**A completed copy of Schedule C and the prescribed corporation tax forms or schedules must be attached to your CLT-4 in order to offset any tax liability by these credits.**

**Line 1 - Montana Capital Company Credit.** A credit was available to corporations that invested in a qualified Montana capital company within four years of July 1, 1987, or in a qualified Montana small business investment capital company within four years of July 1, 1991. A credit qualified under 90-8-202(3), MCA may be carried forward 15 years. Report any available carryover on line (1) of Schedule C.

**Line 2 - New/Expanded Industry Credit.** (A detailed schedule is required): A manufacturing company which begins operations so as to increase total full time employment by at least 30% is eligible for this credit. The amount of the credit is 1% of the total wages, as defined in 39-51-201, MCA, paid to new employees and is available during each of the first three years following initiation or expansion of the manufacturing operation. The credit is limited to the year in which it is earned; it can not be carried back or carried over.

**Line 3 - Interest Differential Credit.** (A detailed schedule is required): A public utility or financial institution that lent money, prior to July 1, 1995, to be used for energy conservation purposes, may claim a credit which is the difference between the interest it actually receives and the interest it would have received at the prevailing rate for home improvements loans (15-32-107, MCA). The credit to be claimed by a utility may not exceed \$750,000 per year and the credit claimed by a financial institution may not exceed \$2,000 per year.

**Line 4 - Montana Dependent Care Assistance Credit (Form DCAC).** An employer may claim a credit for amounts paid or incurred for dependent care assistance provided to employees (15-31-131 and 15-31-133, MCA). This assistance may be in the form of:

- Acquiring, constructing, reconstructing, renovating, or improving real property for the primary use as a day-care facility.

The credit is the lesser of:

- \$2,500 times the number of dependents the day-care facility is designed to accommodate;
- 15% of acquisition, construction, reconstruction, renovation, or other improvement cost; or
- \$50,000.

- Providing dependent care assistance to employees that meet the requirements of Internal Revenue Code 26 U.S.C.129(d)(2) through (d)(6). The credit is 25% of the amount paid or incurred by the employer during the taxable year with a limit of \$1,575 per employee
- Providing information and referral services to assist employees within the state in obtaining dependent care. The credit is 25% of the amount paid or incurred by the employer during the taxable year.

**Line 5 - Montana College Contribution Credit (Form CC).** A credit is allowed in an amount equal to 10% of the aggregate amount of charitable contributions made by the taxpayer during the year to any general endowment funds of the Montana university system or its foundations or a general endowment fund of a Montana private college or its foundation (15-30-163, MCA). The maximum amount of credit that can be claimed is \$500 per year with no provision for carryback or carryover.

**Line 6 - Health Insurance for Uninsured Montanans Credit (Form HI).** A credit may be claimed for the health insurance premiums paid by an employer for employees (15-31-132, MCA). The credit can be up to \$25 a month for each employee. The maximum credit that can be claimed each year is \$3,000 with no provisions for carryback or carryover.

**Line 7 - Montana Recycle Credit/Deduction (Form RCYL).** A credit may be claimed for investments in depreciable equipment or machinery used to collect, process or manufacture a product from reclaimed material (15-32-602, MCA) or depreciable property that treats soil contaminated by hazardous wastes (15-32-603, MCA). The credit is a percentage (25% to 5%) of the cost of the property used in Montana, before consideration of trade-in equipment. An exception to this is that the basis shall be reduced by any trade-in upon which this credit has previously been taken. The credit is limited to the current year tax liability with no provisions for carryback or carryover.

**Line 8 - Alternative Energy Production Credit (Form AEPC).** A credit is available to alternative energy producers (15-32-402, MCA). The credit is 35% of the eligible costs associated with the purchase, installation, or upgrading of generating equipment, safety devices and storage equipment, transmission lines necessary to connect with existing transmission facilities, and transmission lines necessary to connect directly to the purchaser of the electricity when no other transmission facilities are available. The credit must first be claimed in the year in which the asset was placed in service; any excess credit may be carried over seven years. Taxpayers that meet criteria established in 15-32-404, MCA, may carryover the credit for 15 years.

**Line 9 - Contractor's Gross Receipts Tax Credit.** A taxpayer who has paid public contractor's gross receipts tax under 15-50-207, MCA may be entitled to a credit for a taxable year within which the net income from contracts subject to the gross receipts tax is reported. After credit for personal property taxes has been deducted, the remaining credit, if any, may be applied to your corporation license tax liability. Any excess credit can not be carried back or carried forward.

In support of the credit claimed, you must attach a schedule or statement with the contract name (and number, if any); location; general description (for example: building, road, bridge, etc.); name of awarding agency; name of prime contractor (if subcontractor); and the amount of gross receipts tax paid thereon, as well as the amount which has been applied to personal property taxes. If you report your income from contracts on a percentage of completion basis, the credit must be allocated proportionately.

**Line 10 - Alternative Fuel Credit (Form AFRC).** (A detailed schedule is required.) A credit is allowed for equipment and labor costs incurred to convert a motor vehicle licensed in Montana to operate on alternative fuel (15-30-164, MCA). The maximum credit is equal to 50% of the equipment and labor costs incurred but may not exceed: \$500 for conversion of a motor vehicle with a gross weight of 10,000 pounds or less; \$1,000 for conversion of a motor vehicle with a gross vehicle weight over 10,000 pounds. The credit must be applied in the year in which the conversion was made; it can not be carried back or carried over.

**Line 11 - Infrastructure Users Fee Credit.** A credit may be claimed for the infrastructure users fee paid to a local government. To claim the credit in 17-6-316, MCA the taxpayer must meet the criteria set forth in 17-6-309(2), MCA, and pay the infrastructure users fee. A form must be certified by the county, verifying the amount of the infrastructure users fee paid and the timeliness of payment. The credit may be carried forward for seven years or carried back for 3 years.

**Line 12 - Qualified Endowment Credit (Form QEC).** 15-31-161, MCA, allows a corporation a credit against corporation license tax for a gift to a qualified charitable endowment. The credit may not exceed your tax liability, is non-refundable and can not be carried back or carried forward. The value of the gift used in calculating the credit may not be claimed as a deduction under 15-31-114, MCA.

Planned Gifts		
Planned Gift Date	% of Present Value	Max. Credit
1-1-97 through 12-31-01	50%	\$10,000
1-1-02 through 8-27-02	40%	\$10,000
8-28-02 through 6-30-03	30%	\$ 6,600
7-1-03 through 12-31-07	40%	\$10,000
Qualified Outright Charitable Gifts		
Qualified Charitable Gift Date	% of Charitable Gift	Max. Credit
1-1-97 through 12-31-01	50%	\$10,000
1-1-02 through 8-27-02	20%	\$10,000
8-28-02 through 6-30-03	13.3%	\$ 6,600
7-1-03 through 12-31-07	20%	\$10,000

For taxpayers that file on an accrual basis, the credit must be taken in the year the deduction was reported for federal tax purposes. However, the appropriate percentage used when calculating the credit must be determined by the actual date that the gift was made.

Attach Form QEC and verification requirements of the planned gift or outright charitable gift made to a qualified endowment. See instructions on Form QEC for verification requirements.

**Line 13 - Historical Buildings Preservation Credit.** (Federal Form 3468) Taxpayers may claim a credit for expenditures made in relation to the preservation of certain historic buildings located in Montana. Qualifying historic buildings are those structures defined in Section 47 (c) of the Internal Revenue Code. The allowable Montana credit is 25% of the federal rehabilitation credit provided for in Section 47 (a) (2) of the IRC. This credit is a nonrefundable credit, however, unused credit may be carried forward for up to seven years succeeding the year in which the credit is generated.

**Line 14 - Increase Research and Development Activities Credit (Form RSCH).** A credit is available for increases in qualified research expenses and basic research payments for research conducted in Montana (15-31-150, MCA). The credit is determined in accordance with section 41 of the IRC, 26 U.S.C. 41, with the exception that the applicable rate is 5% for Montana purposes. A completed copy of the form provided by the department must be attached to the return.

Any unused credit cannot be refunded, but may be carried back two years and carried forward 15 years.

**Line 15 - Mineral Exploration Incentive Credit (Form MINE-CERT).** A credit may be claimed for certified expenditures of mining exploration activities (15-32-502, MCA), not to exceed 50% of the corporation tax liability. Certified expenditures represent costs incurred for activities in direct support of exploration activity conducted at a specific exploration site. The credit applies to activities associated with both new mines and mines that are being reopened. A completed copy of the Form MINE-CERT must be attached to the return.

**Line 16 - Affordable Housing Revolving Loan Account Contribution Credit.** (A receipt from the Montana Board of Housing must be attached) A credit may be claimed for contributions made to the affordable housing revolving loan account established under 90-6-133, MCA. The credit is equal to 10% of the amount donated by a corporation to the affordable housing revolving loan account. The maximum credit that may be claimed is \$10,000 and may not exceed your tax liability. There are no carryover provisions allowed for this credit. You are not entitled to this credit if you have claimed the full amount of the contribution as a deduction under 15-31-114, MCA or have taken the contribution as a qualified endowment credit.

**Line 17 - Developmental Disability Account Contribution Credit.** An individual, corporation, partnership or small business corporation is allowed a credit equal to 30% of the amount donated during the year to the Montana Developmental Disability Service Account under 15-30-187, MCA. The maximum credit that you may claim is \$10,000 and cannot exceed your tax liability. If you elect to apply the donation to this credit you are not allowed to deduct the donation elsewhere on your return. There is no carryover provision allowed and the credit must be applied in the year the donation is made.

**Line 18 - Empowerment Zone Credit.** For tax periods beginning on or after October 1, 2003, an employer is allowed a credit for each new employee at a business in an empowerment zone under 15-31-134, MCA. The taxpayer must be certified by the Department of Labor and Industry to be eligible to receive the credit. The credit may be carried forward seven years and carried back three years.



# 2004 Corporation License Tax Return

**MONTANA**  
Form CLT-4  
Rev. 9-04

For calendar year 2004 or tax year beginning \_\_\_\_\_, 2004; ending \_\_\_\_\_, 20\_\_\_\_

- Check if applicable:
- ☐ Initial Return
- ☐ Final Return
- ☐ Amended Return

Corporation Name		
Address		
If new address check here <input type="checkbox"/>		
City	State	Zip + 4

FEIN \_\_\_\_\_

Federal Business Code \_\_\_\_\_

Incorporated in State of \_\_\_\_\_

Date \_\_\_\_\_

Date Qualified in Montana \_\_\_\_\_

☐ Check box if you do not need the Montana corporation license tax return and instructions sent to you next year

## Copy of signed Federal Form 1120 as filed with the Internal Revenue Service must be attached

### Part I - Filing Method - Check applicable filing method - see instructions

- a. Separate Company Apportionment..... ☐ a.
- b. Separate Accounting..... ☐ b.
- c. Worldwide Combination..... ☐ c.
- d. Domestic Combination..... ☐ d.
- e. Limited Combination..... ☐ e.
- f. Water's Edge (must have a valid election and Schedule WE must be attached)..... ☐ f.
- g. Exempt from tax under provisions of Public Law 86-272 (Schedule K must still be completed)..... ☐ g.

### Part II - Amended Return Only - Check all that apply

- a. Federal Revenue Agent Report, a complete copy of this report is required..... ☐ a.
- b. NOL carryback/carryforward; year of loss..... ☐ b.
- c. Apportionment factor changes (attach a statement explaining all adjustments in detail)..... ☐ c.
- d. Amended federal return (Form 1120X); a complete copy of this return is required..... ☐ d.
- e. Application and/or change in tax credit; type of credit being claimed..... ☐ e.
- f. Other - Attach a statement explaining all adjustments in detail..... ☐ f.

### Part III - General Questions - All questions must be answered

- a. Describe in detail, the nature and location(s) of your Montana activities (if necessary, provide the description on an additional page)
- \_\_\_\_\_
- b. Is this the corporation's first Montana return?..... Yes ☐ No ☐
- If successor to previously existing business, enter name and FEIN of previous business: \_\_\_\_\_
- c. Is this the corporation's final Montana return?..... Yes ☐ No ☐
- If so, indicate whether:
- ☐ Withdrawal ☐ Merged (please attach detailed statement)
- ☐ Dissolved (please attach detailed statement) ☐ Reorganized (please attach detailed statement)
- Date of withdrawal, dissolution, merger, or reorganization \_\_\_\_\_
- d. Has the Internal Revenue Service issued an official notice of change or correction to any tax periods that have not been filed with the Montana Department of Revenue? If "yes", indicate the most recent taxable year for which an official notice has been issued by the Internal Revenue Service..... Yes ☐ No ☐
- e. Are any statute of limitation waivers currently in force which have been executed with the Internal Revenue Service?..... Yes ☐ No ☐
- If "yes", which taxable years are covered and what are the expiration dates of the waivers? \_\_\_\_\_
- f. Has an amended federal return been filed for any of the last five (5) taxable periods? If "yes", which taxable year(s) were amended? \_\_\_\_\_ If "yes", for which years have amended Montana returns been filed?..... Yes ☐ No ☐
- g. Was this corporation included as a member of a consolidated group for Internal Revenue Service filing purposes?..... Yes ☐ No ☐
- If "yes", you must attach pages 1 through 4 of the signed consolidated U.S. Corporation Income Tax Return (Form 1120) as filed with the Internal Revenue Service and a schedule of gross income and deductions, by company, supporting the consolidated taxable income.
- What is the ultimate U.S. parent's FEIN? \_\_\_\_\_
- What is the ultimate U.S. parent's name? \_\_\_\_\_
- h. Did an individual, partnership, corporation, estate or trust at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of this corporation?..... Yes ☐ No ☐
- i. If the answer to question (h) is "yes", did the same individual, partnership, corporation, estate or trust at the end of the taxable year also own, directly or indirectly, 50% or more of the voting stock of another (brother-sister) corporation?..... Yes ☐ No ☐
- j. Did this corporation or any member of the consolidated group own, directly or indirectly, 50% or more of the outstanding voting stock of a domestic corporation that is not included in the consolidated group referenced in (g) above?..... Yes ☐ No ☐
- k. Did this corporation or any member of the consolidated group own, directly or indirectly, 50% or more of the outstanding voting stock of a controlled foreign corporation?..... Yes ☐ No ☐

If you answered "yes" to any of the above questions (g-k), you must complete Schedule M.



# Computation of Montana Net Taxable Income and Total Tax Due

FEIN \_\_\_\_\_

1. Taxable income per federal return (line 28) (copy of signed Federal Form 1120 must be attached).....		1.
2. Add: a. Montana corporation license tax (attach breakdown of Federal Form 1120 line 17).....	2a	
b. Other state, local, foreign, and franchise taxes based on income.....	2b	
c. Federal tax exempt interest.....	2c	
d. Contributions used to compute qualified endowment credit.....	2d	
e. Income/loss of foreign subsidiaries for "worldwide" combined filers.....	2e	
f. Income/loss of unitary corporations not included in federal consolidated return.....	2f	
g. Extraterritorial income exclusion.....	2g	
h. Deemed dividends (Water's Edge filers only) Must attach Schedule WE.....	2h	
i. Federal capital loss carryover utilized on federal return.....	2i	
j. Other additions (a detailed breakdown must be attached).....	2j	
<b>Total additions</b> .....		2.
3. Subtract: a. IRC Section 243 dividend received deduction.....	3a	
b. Nonbusiness income (a detailed breakdown must be attached).....	3b	
c. Montana recycling deduction (attach Form RCYL).....	3c	
d. Income/loss of nonunitary corporations included in federal consolidated return.....	3d	
e. Capital loss incurred in current year (attach federal Schedule D).....	3e	
f. Other reductions (a detailed breakdown must be attached).....	3f	
<b>Total reductions</b> .....		3.
4. Adjusted taxable income (line 1 + line 2 - line 3).....		4.
5. Income apportioned to Montana (line 4X _____ % from Schedule K, line 5).....		5.
6. Income allocated directly to Montana (multistate taxpayers only; a detailed breakdown must be attached).....		6.
7. Montana taxable income before net operating loss (line 5 + line 6 or enter amount reported on line 4).....		7.
If line 7 is a loss, do you wish to forego the net operating loss carryback provision? <input type="checkbox"/> Yes <input type="checkbox"/> No		
*If a loss is reported on line 7 and neither box is checked, the loss must first be carried back.		
8. Montana net operating loss carryback/carryforward (a detailed schedule must be attached).....		8.
9. Montana taxable income (line 7 - line 8).....		9.
10. Montana tax liability (line 9 X 6.75%; line 9 X 7% for those corporations electing a water's edge filing).....		10.
Not to be less than the minimum tax liability of \$50; <input type="checkbox"/> Alternative Tax		
minimum tax applies to each corporation with Montana activity		
11. Subtract: a. 2003 overpayment.....	11a	
b. Tentative payment.....	11b	
c. Quarterly estimated tax payments.....	11c	
<b>Total payments</b> .....		11.
12. Subtract: Credits (from Schedule C).....		12.
13. Amended Return Only:		
a. Add: Previously issued refunds .....	13a	
b. Subtract: Amount paid with original return plus additional amounts paid with previously filed amended return(s).....	13b	
Net payments prior to amendment (Total of lines 13a and 13b).....		13.
14. Tax due or overpayment (Total of lines 10 through 13, enter here).....		14.
15. Interest from due date @ 12% per annum.....		15.
16. Estimated tax underpayment interest penalty (attach Form CLT-4-UT) ... <input type="checkbox"/> Check box for annualized income or adjusted seasonal income method		16.
17. Penalty: a. Late filing penalty (see instructions).....	17a	
b. Late payment penalty (see instructions).....	17b	
Total penalty.....		17.
18. Total due or overpayment (total of lines 14 through 17) Attach remittance payable to the Department of Revenue.....		18.
19. Overpayment to be credited to 2005 estimated tax.....		19.
20. Total refund due.....		20.

## Declaration

Under penalties of perjury, I, the undersigned officer of the corporation, declare that to the best of my knowledge and belief, this return and accompanying schedules are a true, correct, and complete return made in good faith for the income period stated above, pursuant to Montana corporation license tax law and regulations.

Signature of officer \_\_\_\_\_ Date \_\_\_\_\_

Name of person or firm preparing return \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_ Telephone Number \_\_\_\_\_

Preparer's ID Number \_\_\_\_\_ Telephone Number \_\_\_\_\_

Copy of signed Federal Form 1120 must be attached

**Mail to:** Montana Department of Revenue  
PO Box 8021  
Helena, MT 59604-8021



# Schedule K

Corporation Name	Taxable period ending	FEIN
Apportionment Factors for Multistate Taxpayers		

	A. Everywhere	B. Montana	C. Factor (B divided by A =C)
<b>1. Property Factor:</b> Use average value for real and tangible personal property			
Land.....			
Buildings.....			
Machinery.....			
Equipment.....			
Furniture and fixtures.....			
Leased Property.....			
Inventories.....			
Supplies and other.....			
Property of foreign subsidiaries included in combined unitary group.....			
Property of unconsolidated subsidiaries included in combined unitary group.....			
Property of pass-through entities included in combined unitary group.....			
Rents X 8.....			
<b>Total Property</b> .....			<b>%</b>
<b>2. Payroll Factor:</b>			
Compensation of officers.....			
Salaries and wages.....			
<b>Payroll included in:</b>			
Costs of goods sold.....			
Repairs.....			
Other deductions.....			
Payroll of foreign subsidiaries included in combined unitary group.....			
Payroll of unconsolidated subsidiaries included in combined unitary group.....			
Payroll of pass-through entities included in combined unitary group.....			
<b>Total Payroll</b> .....			<b>%</b>
<b>3. Sales (Gross Receipts) Factor:</b>			
Gross sales, less returns and allowances.....			
a. Sales delivered or shipped to Montana purchasers:			
➤ Shipped from outside Montana.....			
➤ Shipped from within Montana.....			
b. Sales shipped from Montana to:			
➤ The United States Government.....			
➤ Purchasers in a state where the taxpayer is not taxable.....			
Less: Intercompany Sales.....			
c. Sales other than sales of tangible personal property (i.e. service income).....			
d. Net gains reported on federal Schedule D and Federal Form 4797.....			
e. Other Gross Receipts (rents, royalties, interest, etc.).....			
Sales (receipts) of foreign subsidiaries included in combined unitary group.....			
Sales (receipts) of unconsolidated subsidiaries included in combined unitary group.....			
Sales (receipts) of pass-through entities included in combined unitary group.....			
Less: Other intercompany transactions.....			
<b>Total Sales</b> .....			<b>%</b>
<b>4. Sum of Factors (add lines 1, 2, and 3).....</b>			<b>%</b>
<b>5. Apportionment Factor</b> (Divide line 4 by the number of factors; i.e. the number (1, 2, or 3) of factors reporting greater than zero for everywhere property, payroll or sales. Enter here and on page 2, line 5).....			<b>%</b>

**Schedule C****FEIN** \_\_\_\_\_**Year** \_\_\_\_\_

Type of Credit	Amount of Credit	
1. Montana Capital Company Credit		
2. New/Expanded Industry Credit		
3. Interest Differential Credit		
4. Montana Dependent Care Assistance Credit .....attach Form DCAC		
5. Montana College Contribution Credit .....attach Form CC		
6. Health Insurance for Uninsured Montanans Credit .....attach Form HI		
7. Montana Recycle Credit ..... attach Form RCYL		
8. Alternative Energy Production Credit .....attach Form AEPC		
9. Contractor's Gross Receipts Tax Credit .....attach supporting schedule		
10. Alternative Fuel Credit .....attach Form AFCR		
11. Infrastructure Users Fee Credit		
12. Qualified Endowment Credit .....attach Form QEC		
13. Historical Buildings Preservation Credit .....attach Federal Form 3468		
14. Increase Research and Development Activities Credit .....attach Form RSCH		
15. Mineral Exploration Incentive Credit .....attach Form MINE-CERT		
16. Affordable Housing Revolving Loan Account Contributions Credit		
17. Developmental Disability Account Contribution Credit		
18. Empowerment Zone Credit		
<b>Total Credits</b> (enter here and on line 12 of the CLT-4)		

To receive these credits, the prescribed corporation tax forms or a detailed schedule must be attached with this schedule to the CLT-4.

Send completed Montana corporation license tax returns to the following address:

Montana Department of Revenue  
PO Box 8021  
Helena, MT 59604-8021



# 2004 Corporation License Tax Return

**MONTANA**  
Form CLT-4  
Rev. 9-04

For calendar year 2004 or tax year beginning \_\_\_\_\_, 2004; ending \_\_\_\_\_, 20\_\_\_\_

- Check if applicable:
- ☐ Initial Return
- ☐ Final Return
- ☐ Amended Return

Corporation Name		
Address <input type="checkbox"/>		
If new address check here		
City	State	Zip + 4

FEIN \_\_\_\_\_

Federal Business Code \_\_\_\_\_

Incorporated in State of \_\_\_\_\_

Date \_\_\_\_\_

Date Qualified in Montana \_\_\_\_\_

☐ Check box if you do not need the Montana corporation license tax return and instructions sent to you next year

## Copy of signed Federal Form 1120 as filed with the Internal Revenue Service must be attached

### Part I - Filing Method - Check applicable filing method - see instructions

- a. Separate Company Apportionment..... ☐ a.
- b. Separate Accounting..... ☐ b.
- c. Worldwide Combination..... ☐ c.
- d. Domestic Combination..... ☐ d.
- e. Limited Combination..... ☐ e.
- f. Water's Edge (must have a valid election and Schedule WE must be attached)..... ☐ f.
- g. Exempt from tax under provisions of Public Law 86-272 (Schedule K must still be completed)..... ☐ g.

### Part II - Amended Return Only - Check all that apply

- a. Federal Revenue Agent Report, a complete copy of this report is required..... ☐ a.
- b. NOL carryback/carryforward; year of loss..... ☐ b.
- c. Apportionment factor changes (attach a statement explaining all adjustments in detail)..... ☐ c.
- d. Amended federal return (Form 1120X); a complete copy of this return is required..... ☐ d.
- e. Application and/or change in tax credit; type of credit being claimed..... ☐ e.
- f. Other - Attach a statement explaining all adjustments in detail..... ☐ f.

### Part III - General Questions - All questions must be answered

- a. Describe in detail, the nature and location(s) of your Montana activities (if necessary, provide the description on an additional page)
- \_\_\_\_\_
- b. Is this the corporation's first Montana return?..... Yes ☐ No ☐
- If successor to previously existing business, enter name and FEIN of previous business: \_\_\_\_\_
- c. Is this the corporation's final Montana return?..... Yes ☐ No ☐
- If so, indicate whether:
- ☐ Withdrawal ☐ Merged (please attach detailed statement)
- ☐ Dissolved (please attach detailed statement) ☐ Reorganized (please attach detailed statement)
- Date of withdrawal, dissolution, merger, or reorganization \_\_\_\_\_
- d. Has the Internal Revenue Service issued an official notice of change or correction to any tax periods that have not been filed with the Montana Department of Revenue? If "yes", indicate the most recent taxable year for which an official notice has been issued by the Internal Revenue Service..... Yes ☐ No ☐
- e. Are any statute of limitation waivers currently in force which have been executed with the Internal Revenue Service?..... Yes ☐ No ☐
- If "yes", which taxable years are covered and what are the expiration dates of the waivers? \_\_\_\_\_
- f. Has an amended federal return been filed for any of the last five (5) taxable periods? If "yes", which taxable year(s) were amended? \_\_\_\_\_ If "yes", for which years have amended Montana returns been filed?..... Yes ☐ No ☐
- g. Was this corporation included as a member of a consolidated group for Internal Revenue Service filing purposes?..... Yes ☐ No ☐
- If "yes", you must attach pages 1 through 4 of the signed consolidated U.S. Corporation Income Tax Return (Form 1120) as filed with the Internal Revenue Service and a schedule of gross income and deductions, by company, supporting the consolidated taxable income.
- What is the ultimate U.S. parent's FEIN? \_\_\_\_\_
- What is the ultimate U.S. parent's name? \_\_\_\_\_
- h. Did an individual, partnership, corporation, estate or trust at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of this corporation?..... Yes ☐ No ☐
- i. If the answer to question (h) is "yes", did the same individual, partnership, corporation, estate or trust at the end of the taxable year also own, directly or indirectly, 50% or more of the voting stock of another (brother-sister) corporation?..... Yes ☐ No ☐
- j. Did this corporation or any member of the consolidated group own, directly or indirectly, 50% or more of the outstanding voting stock of a domestic corporation that is not included in the consolidated group referenced in (g) above?..... Yes ☐ No ☐
- k. Did this corporation or any member of the consolidated group own, directly or indirectly, 50% or more of the outstanding voting stock of a controlled foreign corporation?..... Yes ☐ No ☐

If you answered "yes" to any of the above questions (g-k), you must complete Schedule M.

# Computation of Montana Net Taxable Income and Total Tax Due

FEIN \_\_\_\_\_

1. Taxable income per federal return (line 28) (copy of signed Federal Form 1120 must be attached).....		1.
2. Add: a. Montana corporation license tax (attach breakdown of Federal Form 1120 line 17).....	2a	
b. Other state, local, foreign, and franchise taxes based on income.....	2b	
c. Federal tax exempt interest.....	2c	
d. Contributions used to compute qualified endowment credit.....	2d	
e. Income/loss of foreign subsidiaries for "worldwide" combined filers.....	2e	
f. Income/loss of unitary corporations not included in federal consolidated return.....	2f	
g. Extraterritorial income exclusion.....	2g	
h. Deemed dividends (Water's Edge filers only) Must attach Schedule WE.....	2h	
i. Federal capital loss carryover utilized on federal return.....	2i	
j. Other additions (a detailed breakdown must be attached).....	2j	
<b>Total additions</b> .....		2.
3. Subtract: a. IRC Section 243 dividend received deduction.....	3a	
b. Nonbusiness income (a detailed breakdown must be attached).....	3b	
c. Montana recycling deduction (attach Form RCYL).....	3c	
d. Income/loss of nonunitary corporations included in federal consolidated return.....	3d	
e. Capital loss incurred in current year (attach federal Schedule D).....	3e	
f. Other reductions (a detailed breakdown must be attached).....	3f	
<b>Total reductions</b> .....		3.
4. Adjusted taxable income (line 1 + line 2 - line 3).....		4.
5. Income apportioned to Montana (line 4X _____ % from Schedule K, line 5).....		5.
6. Income allocated directly to Montana (multistate taxpayers only; a detailed breakdown must be attached).....		6.
7. Montana taxable income before net operating loss (line 5 + line 6 or enter amount reported on line 4).....		7.
If line 7 is a loss, do you wish to forego the net operating loss carryback provision? <input type="checkbox"/> Yes <input type="checkbox"/> No		
*If a loss is reported on line 7 and neither box is checked, the loss must first be carried back.		
8. Montana net operating loss carryback/carryforward (a detailed schedule must be attached).....		8.
9. Montana taxable income (line 7 - line 8).....		9.
10. Montana tax liability (line 9 X 6.75%; line 9 X 7% for those corporations electing a water's edge filing).....		10.
Not to be less than the minimum tax liability of \$50; <input type="checkbox"/> Alternative Tax		
minimum tax applies to each corporation with Montana activity		
11. Subtract: a. 2003 overpayment.....	11a	
b. Tentative payment.....	11b	
c. Quarterly estimated tax payments.....	11c	
<b>Total payments</b> .....		11.
12. Subtract: Credits (from Schedule C).....		12.
13. Amended Return Only:		
a. Add: Previously issued refunds .....	13a	
b. Subtract: Amount paid with original return plus additional amounts paid with previously filed amended return(s).....	13b	
Net payments prior to amendment (Total of lines 13a and 13b).....		13.
14. Tax due or overpayment (Total of lines 10 through 13, enter here).....		14.
15. Interest from due date @ 12% per annum.....		15.
16. Estimated tax underpayment interest penalty (attach Form CLT-4-UT) ... <input type="checkbox"/> Check box for annualized income or adjusted seasonal income method		16.
17. Penalty: a. Late filing penalty (see instructions).....	17a	
b. Late payment penalty (see instructions).....	17b	
Total penalty.....		17.
18. Total due or overpayment (total of lines 14 through 17) Attach remittance payable to the Department of Revenue.....		18.
19. Overpayment to be credited to 2005 estimated tax.....		19.
20. Total refund due.....		20.

## Declaration

Under penalties of perjury, I, the undersigned officer of the corporation, declare that to the best of my knowledge and belief, this return and accompanying schedules are a true, correct, and complete return made in good faith for the income period stated above, pursuant to Montana corporation license tax law and regulations.

Signature of officer \_\_\_\_\_ Date \_\_\_\_\_

Name of person or firm preparing return \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_ Telephone Number \_\_\_\_\_

Preparer's ID Number \_\_\_\_\_ Telephone Number \_\_\_\_\_

Copy of signed Federal Form 1120 must be attached

**Mail to:** Montana Department of Revenue  
PO Box 8021  
Helena, MT 59604-8021



# Schedule K

Corporation Name	Taxable period ending	FEIN
Apportionment Factors for Multistate Taxpayers		

	A. Everywhere	B. Montana	C. Factor (B divided by A =C)
<b>1. Property Factor:</b> Use average value for real and tangible personal property			
Land.....			
Buildings.....			
Machinery.....			
Equipment.....			
Furniture and fixtures.....			
Leased Property.....			
Inventories.....			
Supplies and other.....			
Property of foreign subsidiaries included in combined unitary group.....			
Property of unconsolidated subsidiaries included in combined unitary group.....			
Property of pass-through entities included in combined unitary group.....			
Rents X 8.....			
<b>Total Property</b> .....			<b>%</b>
<b>2. Payroll Factor:</b>			
Compensation of officers.....			
Salaries and wages.....			
<b>Payroll included in:</b>			
Costs of goods sold.....			
Repairs.....			
Other deductions.....			
Payroll of foreign subsidiaries included in combined unitary group.....			
Payroll of unconsolidated subsidiaries included in combined unitary group.....			
Payroll of pass-through entities included in combined unitary group.....			
<b>Total Payroll</b> .....			<b>%</b>
<b>3. Sales (Gross Receipts) Factor:</b>			
Gross sales, less returns and allowances.....			
a. Sales delivered or shipped to Montana purchasers:			
➤ Shipped from outside Montana.....			
➤ Shipped from within Montana.....			
b. Sales shipped from Montana to:			
➤ The United States Government.....			
➤ Purchasers in a state where the taxpayer is not taxable.....			
Less: Intercompany Sales.....			
c. Sales other than sales of tangible personal property (i.e. service income).....			
d. Net gains reported on federal Schedule D and Federal Form 4797.....			
e. Other Gross Receipts (rents, royalties, interest, etc.).....			
Sales (receipts) of foreign subsidiaries included in combined unitary group.....			
Sales (receipts) of unconsolidated subsidiaries included in combined unitary group.....			
Sales (receipts) of pass-through entities included in combined unitary group.....			
Less: Other intercompany transactions.....			
<b>Total Sales</b> .....			<b>%</b>
<b>4. Sum of Factors (add lines 1, 2, and 3)</b> .....			<b>%</b>
<b>5. Apportionment Factor</b> (Divide line 4 by the number of factors; i.e. the number (1, 2, or 3) of factors reporting greater than zero for everywhere property, payroll or sales. Enter here and on page 2, line 5).....			<b>%</b>

**Schedule C****FEIN** \_\_\_\_\_**Year** \_\_\_\_\_

Type of Credit	Amount of Credit	
1. Montana Capital Company Credit		
2. New/Expanded Industry Credit		
3. Interest Differential Credit		
4. Montana Dependent Care Assistance Credit .....attach Form DCAC		
5. Montana College Contribution Credit .....attach Form CC		
6. Health Insurance for Uninsured Montanans Credit .....attach Form HI		
7. Montana Recycle Credit ..... attach Form RCYL		
8. Alternative Energy Production Credit .....attach Form AEPC		
9. Contractor's Gross Receipts Tax Credit .....attach supporting schedule		
10. Alternative Fuel Credit .....attach Form AFCR		
11. Infrastructure Users Fee Credit		
12. Qualified Endowment Credit .....attach Form QEC		
13. Historical Buildings Preservation Credit .....attach Federal Form 3468		
14. Increase Research and Development Activities Credit .....attach Form RSCH		
15. Mineral Exploration Incentive Credit .....attach Form MINE-CERT		
16. Affordable Housing Revolving Loan Account Contributions Credit		
17. Developmental Disability Account Contribution Credit		
18. Empowerment Zone Credit		
<b>Total Credits</b> (enter here and on line 12 of the CLT-4)		

To receive these credits, the prescribed corporation tax forms or a detailed schedule must be attached with this schedule to the CLT-4.

Send completed Montana corporation license tax returns to the following address:

Montana Department of Revenue  
PO Box 8021  
Helena, MT 59604-8021

<b>Corporation License Tax - Form Description</b>		<b>Form #</b>	<b>Quantity</b>
Montana Corporation License Tax Return <u>with</u> instructions		CLT-4	
Montana Small Business Corporation Information Return		CLT-4S	
Underpayment of Estimated Tax		CLT-4-UT	
Montana Dependent Care Assistance Credit		DCAC	
Montana College Contribution Credit		CC	
Health Insurance for Uninsured Montanan's Credit (Employer)		HI	
Montana Recycling Credit/Deduction		RCYL	
Alternative Energy Production Credit		AEPC	
Affidavit of Corporate Inactivity		INA-CT	
Application to be Considered a Research and Development Firm		RDF	
Credit for Increasing Research Activities		RSCH	
Application and Approval for Mineral Exploration Incentive Credit		MINE-CERT	
Scannable Payment Coupon		Form CT	
Qualified Endowment Credit		Form QEC	
Water's Edge Schedule		Schedule WE	
Affiliated Entities		Schedule M	

All corporation license tax forms listed above may be received by

- calling the Forms Distribution Center at (406) 444-6900,
- e-mailing a request to [jpurcell@state.mt.us](mailto:jpurcell@state.mt.us),
- downloading the forms from [www.discoveringmontana.com/revenue](http://www.discoveringmontana.com/revenue),
- sending a copy of this order form to the address listed on page 3 of this booklet.

**Please send the forms requested above to:**

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Zip Code \_\_\_\_\_

<b>Important Numbers</b>	
Assistance and Help Line	(406) 444-6900
Forms Request	(406) 444-6900
Fax	(406) 444-2900
<b>These are not toll free numbers</b>	

Make any necessary corrections to the label below and attach to your  
2004 Montana CLT-4

Montana Department of Revenue  
PO Box 8021  
Helena, MT 59604-8021

PRSRT STD  
U.S. POSTAGE  
PAID  
MONTANA DEPARTMENT  
OF REVENUE

No Return